

No. 14,592.

WASHINGTON, D. C., TUESDAY, DECEMBER 5, 1899.

TWO CENTS.

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tising columns of The Star

EXTRA

COMMISSIONERS'

Annual Statement of Affairs Submitted to the President.

EXHIBIT MADE FOR PAST FISCAL YEAR

Police and Fire Departments and Public Schools.

INCREASED FACILITIES WANTED

of the District of Columbia was transmitted by them to the President today, for submission to Congress. It is as follows:

"The Commissioners of the District of Columbia herewith submit for the information of Congress, as required by law, their annual report of the official doings of the government of said District for the fiscal year which ended June 39, 1800.

"The appropriations for the year which were payable out of the general revenues, and embraced all but the appropriations for the water department, were \$7,239,675.85. applicable to the payment of said appro riations (including the amount contributable by the United States as its share of the District expenses and a surplus of \$956,-062.16 of District revenues of former years),

ment were \$195,878.25, and were wholly payable out of the revenues received from water rents and assessments. The revenues of said department, including a balance of former years amounting to \$200,715.21, were \$547,500,33.

Debt. Funded and Miscellaneous.

"The funded debt of the District of Columbia on June 30, 1899, was \$15,891,620.18. present form of the municipal government. The treasurer of the United States, who is charged with its management, reports it in Vashington county— Taxable on land at \$1.50, \$11,793,067 Taxable on land at \$1.00. 4,518,378

Taxable on improvements at \$1.00...... 1,151,500

Washington county at \$1.00 200,987 51

Fotal tax on personal property... 245,814-85 "The rate of general tax for the year was fixed at \$0.150 on each \$100 for all taxable

| Description of bonds. | Date of maturity. | Interest. | When interest is due. | Total. |
|---|-------------------------------|-----------|--|-----------------------------|
| Of the District of Columbia- | | % | | |
| Water steek | Oct. 1, 1901 July 1, 1903 | 7 | Jan. I and July 1 | \$329,000 00 14,000 00 |
| Fifty-year funding | Aug. 1, 1924 July 1, 1895 | 3.65 5 | Feb. 1 and Aug. 1 Jap. 1 and July 1 | 11,221 100 00 749,900 00 |
| Of the late corporation of Wash- ington- | | | | |
| Three-year (Emery) | July 30, 1873 Nov. 1, 1902 | 7.3 | Interest censed May 1 and Nov. 1 | 100 oc 571,100 oc |
| | | | | \$15,888,200_00 |
| DESCI | DIPTION OF BOXE | is. | | |
| Stocks and bonds outstanding on sch | tota listoriosis had | | | |
| Stocks and bonds outstanding on wh payment of the principal and inter Corporation of Washington, ten-year | est deposited in th | e United | States treasury: | |
| Corporation of Washington, 5 per ce- | nt general stock | | 1 240 01 | |

Miscellaneous Indebtedness.

"The District has no floating debt that its revenues are not much more than sufficient to meet; but as the Commissioners have no authority to make expenditures without specific authority from Congress, they are obliged to withhold payment of certain unavoidable current and emergent obligations for which appropriations have not been made. These are comparatively small in amount, and are all settled from

"The District is required to receive inpayment of special assessments or of arpayment of special assessments of of rears of general taxes \$19,543.54 of draw-back certificates, which were issued as re-bates for overcharges or interest on ac-count of special assessments levied by forbearing interest at 10 per cent per annual to July 2, 1800, the date of the act of Con-gress authorizing the issues of said drawextent of those two amounts the District is practically indebted to the owners of the certificates and the holder of the ilen.

Outstanding Liens.

"There was outstanding July 1, 1890, it hands of private holders, \$3,756.38 of liens against private property for special imments of like amount levied on the property against which they lie and \$1.341.48 of scrip issued against private property by the late corporation of the city of Washington, and secured by special assessments of like amount for the cost of abutting public improvements. In case any of said assessments should for any reason become the oll-ctible, the items or scrip would be redeemable out of the general fund under said act of March I. 1800, and to that ex-

tent are an obligation of the District.
"Any obligation that the District is un-der on account of any of said certificates is much more than offset by the special assessments due the District, amounting to \$17,502.58, and accrued interest thereon at the rate of 10 per cent per annum for an States, amounting to \$1,000.

"Under the requirements of section 2 of 'An act to provide for the disposition of assessment certificates of the District of Columbia, and for other purposes,' approved States transferred to the Commissioners as general revenues \$7.697.11 of such collecions, and retained \$1,000 to redeem the Congress of August 13, 1894.

General Assessment "Assessment of taxable real estate and personal

personal property and for all real property except that used solely for agricultural pur-poses, the rate of which was \$1.00 per \$100 of assessed valuation.

The Estimates.

"Estimates for the fiscal year 1900 were prepared as required by the organic law, and submitted through the Secretary of the Treasury. They amounted to \$7,522,432.31, including \$135,341, payable out of the water funds. The details of these estimates will by the Treasury Department.

Designation of Lots for Assessment.

"A very important advance was made in the matter of designating parcels of land for convenience of reference in making azsessments, by the passage of 'An act to distinctively designate parcels of land in the District of Columbia for the purpose of assessment and taxation and for other purposes, approved March 3, 1899, which established a system designed to give to each parcel of land a designation to distinguish it from every other parcel. But through a misunderstanding the scope of this law does not fully cover the subject in that it omits to make any provision for specifically designating parcels of duly designated lots when the title to such parce s passes by title to such parce's passes by bounds. The bill prepared and submitted by the Commissioners contained, eted, a section as follows: That hereafter, before any instrument conveyance of land in said District shi be recorded in the office of the recorder ds, such instrument must bear consplcucusly indorsed thereon a certificate the office of the surveyor of said District the office of the surveyor of said District showing the proper designation, for the purposes of this act, of the land so con-veyed, according to the surveyor's records, as provided in section 1; and such cer-tificate shall be entered upon the records of the said recorder as a part of the record

of the said instrument of conveyance. Present Conditions.

"At present a parcel of land bearing a distinctive designation upon the surveyor's and assessor's records may in fact consist of a number of parcels of different ownerships. In case it should become necessary to advertise any of these parcels for sale for taxes in arrears, the advertisement must contain a full description of the bounds of such parcels, and thereby entail a vast and unreasonable amount of work

"The section was stricken out of the bill while it was in the Senate, during the clos-ing hours of the session, when there was not time to deliberately consider the force of certain objections which had been made to it by a number of real estate firms in the District. These objections were essentially that the proceeding set forth in the

recording of deeds. But as the routine pre-scribed would not require more than a few minutes in any instance, the opposition was based on a misapprehension of the situation.

ituation.
"The Commissioners recommend the en-ctment of this section as early as prac-

Modification of Business Methods.

"Since the Commissioners made their report for the fiscal year 1898 the committee appointed to examine the business methods operation in the District offices, and to amend such changes therein as might ppear advisable, has submitted an account of its doings, and suggested certain modifications designed to improve the manner of conducting the municipal business.

"The change recommended consists to a great extent of the adaptation of a card system to a large portion of the records now kept in books, and it is believed would result in a saving of time, labor and material to the District and conduce to the public convenience by the greater accessibility and facility for reference it would afford.

"The Commissioners were so impressed with the advantages of many of those recommendations that they ordered their adoption, and hope in the early future to have them in practical application.

More Room Required.

"The recent transfer of police headquarers to the Harper building, on C street behim and the assessor to better arrange their forces and methods for the conduct of the office business and the accommodation of the public. "Additions to the force of the collector

"Additions to the force of the collector have not kept pace with the great increase in the office work due to the growth of the District in material prosperity and for other reasons set forth in the collector's report, but the Commissioners have reason to believe that with the rearrangement of business which the increase in the office force recommended, much of the embarrassment existing on that account may barrassment existing on that account may be obviated.

THE PUBLIC SCHOOLS.

Growth During the Year Kept Pace With City's Growth.

"The growth of the public schools during the year was normal, corresponding to the growth of the District, and, as a logical result of the extension of the means of rapid transit and the consequent development of centers of population, chiefly in suburban localities. The schools in their day and night sessions gave instruction during the year to nearly forty-nine thousand (49,000) persons, which is more than

sand (49,000) persons, which is more than one-sixth of our entire population.

"The work of improving the sanitary conditions of school buildings and grounds was continued during the year. Old and defective systems of plumbing were replaced by improved methods, and something was done to make school grounds and the interiors of school buildings more attractive, but much remains to be done to make our school buildings comport with other government buildings in the city and with school structures of modern types elsewhere. The Commissioners believe that more ornate exteriors and more artistic appointment of interiors of school buildings would have a desirable influence in the cultivation of order, symmetry and good taste.

"The Commissioners are of the opinion that the time has come for the employ ment of expert direction for promoting the health of the large number of persons attending our schools. Frequent medical into the community, as asserted by the best authorities on the subject, but would allay a burden of anxiety that must always prevail in the absence of such competent and

"Because of the increased cost of materials used in construction it was found impossible during the year to make contracts, within the limits of the appropriations, for the building of all the school nouses which Congress had ordered. Sites were purchased, however, plans and speci-fications were drawn, and bids for con-struction were invited for buildings at 2d street and South Carolina avenue south-east, 15th street and Rosedale northeast, and the High School manual training building, 7th street and Rhode Island avenue northwest. Bids were invited also for the ing, ith street and knode island avenue northwest. Bids were invited also for the reconstruction of the Birney School at Hillsdale and the Lovejoy School building. "After an examination of the proposals presented by contractors it was determined above-named houses, and to await the further action of Congress. The Commissioners will ask for a deficiency appropriation that the erection of these buildings, now so urgently needed, may be be-

ings, now so urgently needed, may be begun at an early date.
"A beginning was made last year toward extending school instruction by the addition of kindergartens, thus offering free tablished, eight of which were for white and eight for colored pupils. The Com-missioners believing this to be a wise move favor increased appropriations for the er largement of this branch of school work.

The Public Library.

"The Commissioners allude with much gratification to the progress made since their last report toward the acquisition of accommodations for the Public Library, which will be in keeping with the enlightened purposes of its projectors and worthy be found in the book of estimates prepared of the prominence which it is destined to attain as a feature in the intellectual resources of the national capital.

"By the munificent gift of Mr. Andrew Carnegie of \$550,000 for the erection of the library building, supplemented by the ap-preciative action of Congress in promptly for it, permanent accommodation in the near future far superior to any the most hopeful friends of the library had rea-

son to anticipate, have been assured.
"The circumstances attending Mr. Carnegie's generous gift, and the steps which have been taken by the library countsion to carry the project into effect, and of the improvement which has occurred in the capacity and work of the library cinctly and graphically set forth in the re-port of the board of trustees.

Municipal Building.

"The District's resources were never in a better condition than now to justify Conn addition to the provisions in the law as gress in making provision for the construction of a municipal building, consistent in design and location with the promuence of the District as the seat of the national gov-"The Commissioners can magine no ne-

essity for further argument to de strate the necessity and advantage of pro-viding a suitable structure for the accom-modation of the District government and ourts, and as it is no longer a questifinancial expediency, are encouraged to hope that this often deferred subject will receive the favorable and adequate action of Congress during the coming session.

Civil Service.

"The Commissioners are still impressed with the conviction that the civil service laws if made applicable to the District government would result advantageous.y to the conduct of the municipal business and adhere to their previous recommendations on the subject.

Bathing Beach. "The insufficiency of the amount appro-

priated for the bathing beach for the past season seriously hampered the committee having this branch of the service in charge. in its endeavors to secure the best results, and was especially embarrassing in preventing the completion of the work of grading the bottom. The Commissioners hope that adequate means will be provided for that and other necessary improvements at

the beach before the beginning of the next the beach before the beginning of the next bathing season.

"Attention is invited to the recommendation of the committee that an appropriation be made for the transformation of a portion of the inner basin on the Potomac park into a bathing plant which would not be subject to the fluctuations of the tides, on the general plan proposed by the superintendent of the beach, and urged by a number of public-spirited citizens interested in the improvement and extension of the public bathing accommodations.

STREET CLEANING.

Past Year a Remarkable One in De-

partment's History. past fiscal year was in many re spects a remarkable one for the street cleaning department. In that year a trial was made, under the authorization of Congress, of the relative merits and cost of street cleaning by hand under contract and without contract under the direct con and without contract under the direct control of the Commissioners. The contractor was being paid 32 cents per thousand square yards for the work of hand cleaning; and upon the positive assurance of the superintendent of street cleaning that the work could be done under the direct supervision of the Commissioners for less than 20 cents per thousand square yards. Congress granted an appropriation of \$15,-000 to be expended in such manner as an experiment. Of the \$15,000 appropriated the sum of \$13,544.87 was expended, and the total area cleaned for this amount was 75,356,385 square yards, making the cost to the District per thousand square yards about 18 cents, a saving of 14 cents per thousand square yards on the contract price, or, in other words, the work was done for but little more than one-half of the price paid the contractor.

"The superintendent of street cleaning paid the men employed by him on the hand cleaning work \$1.25 per day, while those employed by the contractor upon the same work received but \$1 per day. With wages at \$1 per day the superintendent could casily have reduced the cost to 16 cents per trol of the Commissioners. The contractor

at \$1 per day the superintendent could casily have reduced the cost to 16 cents per thousand square yards, or one-half the price paid the contractor.

Good Impression Made.

"Congress dil not deem it best to plac he work of street cleaning under direct municipal control, but the showing made by the superintendent of street cleaning made a profound impression upon the members of the committees and redounded greatly to the benefit of the District. Or account of the showing made on the experimental work during the first four months of the year a provision was in-

perimental work during the first four months of the year a provision was inserted in the District appropriation act for the current year limiting the rate to be paid under contract to 22 cents or less per thousand square yards; and the District was thereby enabled, by securing a contract at 214 cents per thousand square yards, to further enlarge the daily hand cleaning schedule to cover a daily area of 1,200,000 square yards of street surface. "A provision was also inserted in the act requiring the contractor for the hand cleaning work to pay the laborers employed not less than \$1,25 per day for eight hours' labor. The operation of the hand cleaning system has met with such favor from the citizens that almost the only complaints received by the street cleaning department have been caused by the fact that it could not be further extended to cover the streets on which the complainants reside.

Another Reduction.

"Another result of the congressional lim-Itation of 22 cents upon the price to be paid the contractor is the very appreciable eduction in the cost of machine cleaning. cents per 1,000 square yards, while under the present contract it is 19 cents—a saving to the District of 6% cents per 1,000 square t was done last year, principally for the reason that the contractors are using a much better sweeping machine

he present appropriation, owing partly to the extension of the hand-cleaning system more than twice a week. This has caused considerable complaint from the citizens re-siding on the neglected thoroughfares, es ecially upon those which had in previous ears been swept three times per week It is to be hoped that the appropriation may be so increased for the next fiscal year as to enable these streets and the ne he schedule to have the attention they de

"Attention is called to the statement of the superintendent in his report with re-gard to the large unexpended balance re-turned by the department. The greater urned by the department. The greater pecial appropriation for the snow and icvork, and this amount will be available for

se during the current year. "The past winter was without precedent in the history of Washington for deep snows, and the street cleaning department was taxed to its utmost capacity to keep the streets in a passable condition. As the streets in a passable condition. As many as 2,055 laborers and 402 horses, carts and wagons, with drivers, were employed in one day in the removal of snow, and a total amount of \$30,229.81 was expended, aving an unexpended balance of \$1,770.19. "The Commissioners are constrained to enew their recommendation of last year, hat the work of cleaning the streets, ave d under their direct supervision without he intervention of a contractor.

METROPOLITAN POLICE. Reasons Advanced for Increase of the Force.

"The proportion between the additional number of policemen as provided for at the last session of Congress and the additional results achieved by the police department is very unequal. The Commissioners asked for an increase of 200 and received but 26 additional men, but the records of the department show that in preventing crime, arresting criminals and ecovering stolen property there has been a decided improvement in efficiency ever

any past year. This is highly creditable to the department, and, it is believed, is appre clated by the citizens of the District, from many of whom warm words of commendation are frequently received. These facts demonstrate how important it is that a further and greater increase should be "It may be a repetition to give some of

the reasons why there should be a substantial increase of the force, but it is thought best to do so. It should be considered that this is the capital of the United States, situate in the midst of a territory comprising seventy-two square miles, the entire being thickly settled, and that the population in the outlying portions of the District is rapidly increasing, owing to the extension of modern street railway facilities.

"Within this police jurisdiction, the fourth argest in the United States, are hundreds of acres of public reservations, numerous ge government workshops, Rock Creek Park, with its thousands of acres; mag-nificent institutions of learning, many cost-ly residences, including those of the prinipal government officials and foreign cipal government officials and foreign lega-tions; several railroad depots, all of which have to be carefully looked after and pro-tected by the police force, and this, too, when the number of when the number of officers on duty at any one time does not exceed 160. In the county portion of the District each beat comprises several square miles, while in the heart of the city an officer is required to patr from three to ten lineal miles of streets. Thoroughfares Needing Protection.

"The improved roadways of the city make them most desirable thoroughfares for bicycles and other vehicles, and the constantly increasing travel of this character neces sitates the enforcement of strict regulations, which cannot be done properly with the limited force at command; Pennsylvania avenue and F street, the two principal thoroughfares, and Connectiout avenue, a well-patronized promenade, should be patrolled by squads of officers, but it is not possible to have this done under existing circumstances; foreign legations should be given constant surveillance, but the inadequate force precludes this; the varicus circles, in the neighborhood of which there is a great deal of driving, and the parks, which furnish breathing spots for nurses and children, should be given close attention, while at present an officer can make only an occasional visit to such as may be

and children, should be given close attention, while at present an officer can make only an occasional visit to such as may be on his beat. Is it at all strange that when a policeman is wanted at a particular place he cannot always be found?

"A fair way to judge of the police force is not by a few failures on the part of policemen to be on the spot at the moment when wanted, or by occasions when policemen err in judgment as to speech or action, but by taking the net results of what is accomplished in a year so far as the record of the city is concerned for safety and criminal conditions. Surely to any fair-minded person it must be evident that there is in the police force a set of men who are zealous to preserve the good name of the capital, and who, at the risk of life and danger of personal suffering, honestly and efficiently parform their duty. It is not denied that in this work as in every other department of life there are those who fail to attain the high standard set for them, by violating the rules of the department, making mistakes and otherwise giving just cause for complaint, but, as compared with the amount of good work accomplished, the number of just criticisms is remarkably small.

Method Adopted.

Method Adopted. "This result has not been achieved easily.

but through persistent and well-studied effort on the part of the major and superintendent of police and those who assist him. Every man's qualifications have been measured and he has been placed in a position wherein it has been thought he can do the most good. An unusually large number of changes have taken place during the past year. Quite a number of those who are no longer fit for service have been retired; some have been relieved of the more active duties and given positions less arduous but important. Much attention has been given to the policing of the steam railroad stations and the wharves. There was a time when these places were considered fit posts for the poorest material in the department. At present the reverse is true, and the best men on the force are not considered too good to guard these important arteries of the city's life. The record of the past year shows a substantial diminution in crime generally. This was largely due to the good work done at the depots on the part of the detectives and policemen stationed there, who on many occasions 'spotted' dishonest people as they arrived or were about to depart.

"Complete and thorough plans have been him. Every man's qualifications have been arrived or were about to depart.

arrived or were about to depart.

"Complete and thorough plans have been inaugurated whereby the police districts in the city and county have been subdivided to meet modern conditions, and each branch is under the charge of an efficient and experienced inspector, who is held responsible for what occurs in his district.

"The policing of a city is one of the most important, as well as one of the most difficult, of municipal problems. It is a continual study. All new methods which are believed to be of advantage are introduced, if possible, into this department, and if found effective are retained and used.

The Detectives.

"Population and improvements have ad vanced so rapidly that the provisions made for their protection have not been commensurate with the necessities. The de ective corps, for instance, which consists of twelve members of the force detailed for special service in looking up matters of a criminal nature, has not been increased for years. This force has been required to attend to not only a great deal of petty thieving, but frequent demands are made upon it by other municipalities, in finding criminals and following up matters con-sistent with their duties. It has been expedient during this work, but these men, while performing the labors incident to the positions, are not receiving the compensation allowed others for the same service. It is regarded as in the interest of the public that at least two of these men should be serving a probationary period, and that the other two should be paid the general compensation of \$240 per annum now provided for the regularly detailed members of the corps. With two privates thus serving on probation they can be advanced to the other grade should those receiving the better compensation

the duties assigned them. Proposed Tenth Precinct.

"The city is now divided into nine police precincts and has been since before the growth of the suburbs. That extensive territory lying north of Florida avenue be tween Benning road on the east. Rock creek on the west and the Maryland line on the north has grown to the proportion of a city, population and wealth being con-sidered, while the police protection af-forded it is the same now as when it consisted of unimproved lots and 'commons. Some of the villages and institutions inwood, Soldiers' Home, Takoma, Brookland. Eckington, University Heights, Howard University, Metropolis View, Le Droit Park, Catholic University, Lamond, Rock Treek Church, National Park, Terra Cotta Petworth, Lanler Heights and Congress Heights, surrounded by an immediate population of at least 30,000. This section its schools, churches and engine houses, but no police station. An appropriation has been asked for to provide and equip a new station house, to be located therein; also for a command of at least fifty men and necessary employes to facilitate the busi-

they reluctantly relinquish their purpose at this time endeavoring to provide a cen-tral station in the heart of the city, to take the place of the old station No. 1, which is vided ere long.

"In this connection it may be stated that, In this connection it may be stated that, in order to provide a proper complement of men for the proposed tenth precinct, provision should be made for mounting at least six of them, for duty in the outlying sections of the precinct.

"The station itself should be of modern and the property of the prop

style of architecture and be provided with everything that would tend to adapt it for the purpose for which it would be both from sanitary and useful standpoints. The estimates include the purchase of a construction of a building, at : cost of \$29,000.

The Sanitary Officer. 'A report of the police department would

incomplete without a reference to the excellent work of the sanitary officer. Comparatively few people know what is done in the sanitary office. There the poor, the the vagrants ordered to leave the disposition of their cases. The sanitary officer has entire charge of the ambulance service, the placing of the indigent sick in the various hospitals, the transportation of prisoners and paupers, and the commit-ment of the insane to the asylum. Pecu-liarly fitted for these trying duties, vis sanitary officer, with patience and skill, in a quiet way, has accomplished a vast amount of good work for the District 1t is a pleasure to have been able to provide him with new and increased accommodations, where he has better facilities for handling this important branch of the city's work. Some idea of the labor in fice may be gathered from the following figures for the past year: 809 persons were furnished with transportation to their homes, 4,040 persons were sent to the sev-eral hospitals, 228 insane persons were properly tried and admitted to the Govern-ment Hospital for the Insane; there were 3,079 calls for ambulances which were re-sponded to, while innumerable "cranks" demented persons have visited the office, airing imaginary grievances, consum-ing valuable time, and have been sent away either pacified or so cared for as to pre-vent their doing harm to themselves of

Additional Privates. "Congress has made provision for the appointment of what are known as additional (Continued on Fourth Page.)

EXTRA!

THE PRESIDENT'S MESSAGE

Unexampled Prosperity Throughout the Entire Country.

INSULAR GOVERNMENT DISCUSSED AT LENGTH

Financial Legislation Suggested and Trusts Referred to.

MANY OTHER SUBJECTS TREATED

The President today transmitted his an- | nue through which needful additions to the ual message to Congress. It is as follows: circulation could from time to time be To the Senate and House of Representa-

At the threshold of your deliberations you November 21st last. His great soul now rests in eternal peace. His private life was impair its public utility. pure and elevated, while his public career was ever distinguished by large capacity, stainless integrity, and exalted motives. He has been removed from the high office honesty of purpose, and noble virtues remain with us as a priceless legacy and

The Fifty-sixth Congress convenes in its irst regular session with the country in a condition of unusual prosperity, of universal good will among the people at home, and in relations of peace and friendship foreign commerce has shown great increase xceeded by more than a billion dollar per cent more than in 1870, showing the enlarged capacity of the United States to

of the peoples of other nations. fact that the only years in all our history when the products of our manufactories were 1898 and 1899.

Receipts and Expenditures. Government receipts from all sources for the fiscal year ended June 30, 1899, including \$11,798,314.14, part payment of the Cen tral Pacific Railroad indebtedness, aggre-

were \$206.128.481.75, and those from internal revenue \$273,437,161.51. For the fiscal year the expenditures were \$700,093,564.02, leaving a deficit of \$89,111,-559.67.

The Secretary of the Treasury estimates

will aggregate \$640,958,112, and upon the basis of present appropriations the expenditures will aggregate \$600,958,112, leaving surplus of \$40,000,000. For the fiscal year ended June 30, 1899,

the internal-revenue receipts were increased about \$100,000,000. The present gratifying strength of the Treasury is shown by the fact that on December 1, 1839, the available cash bal-

ance was \$278,004,837.72, of which \$239,744,-905.36 was in gold coin and bullion. The the Treasury and impose upon him the duty conditions of confidence which prevail throughout the country have brought gold into more general use and customs receipts are now almost entirely paid in that coin.

The strong position of the Treasury with

respect to cash on hand and the favorable

showing made by the revenues have made it possible for the Secretary of the Treasury to take action under the provisions of from which greenbacks shall be redeemed section 3694, Revised Statutes, relating to the sinking fund. Receipts exceeded expenditures for the first five months of the current fiscal year by \$13,413,389.91, and, as mentioned above, the Secretary of the Treasury estimates that there will be a surplus of approximately \$40,000,000 at the end of the year. Under such conditions it was deemed advisable and proper to resume compliance with the provisions of the sinkbeen done because of deficiencies in the revenues. The Treasury Department therefore offered to purchase during November \$25,000,000 of the 5 per cent loan of 1904, or the 4 per cent funded loan of 1907, at the current market price. The amount offered and purchased during November was \$18, 408,600. The premium paid by the Government on such purchases was \$2 263,521 and the net saving in interest was about \$2,885,000. The success of this operation was sufficient to induce the Government to continue the offer to purchase bonds to and including the 23d day of December. instant, unless the remainder of the \$25. 000,000 called for should be presented in the meantime for redemption.

To Uphold the Gold Standard.

Increased activity in industry, with its welcome attendant-a larger employment for labor at higher wages-gives to the body of the people a larger power to absorb the circulating medium. It is further true that year by year, with larger areas of land under cultivation, the increasing volume of agricultural products. cotton, corn, and wheat, calls for a larger volume of money supply. This is especially noticeable at the crop-harvesting and crop-moving period.

made. Changing conditions have apparently rendered it now inoperative to that end The high margin in bond securities requirre called to mourn with your countrymen ed, resulting from large premiums which the death of Vice-President Hobart, who Government bonds command in the market, passed from this life on the morning of or the tax on note issues, or both operating together, appear to be the influences which

The attention of Congress is respectfully invited to this important matter with the view of ascertaining whether or not such reasonable modifications can be made in the which he honored and dignified, but his National Banking Act as will render its lofty character, his devotion to duty, his service in the particulars here referred to more responsive to the people's needs. again urge that national banks be author

ized to organize with a capital of \$25,000.

I urgently recommend that to support the

existing gold standard, and to maintain "the parity in value of the coins of the two metals (gold and silver) and the equal power of every dollar at all times in the with every government of the world. Our market and in the payment of debts," the Secretary of the Treasury be given addiin volume and value. The combined imports and exports for the year are the sell United States bonds and to employ largest ever shown by a single year in all such other effective means as may be necour history. Our exports for 1809 alone essary to these ends. The authority should the power to sell bonds on long mports and exports combined in 1870. The and short time, as conditions may require imports per capita are 20 per cent less than and should provide for a rate of interest in 1870, while the exports per capita are 58 lower than that fixed by the act of January 14, 1875. While there is now no commercial fright which withdraws gold from satisfy the wants of its own increasing the government, but, on the contrary, such population, as well as to contribute to those | widespread confidence that gold seeks the treasury demanding paper money in ex-Exports of agricultural products were change, yet the very situation points to the \$784,776,142. Of manufactured products we present as the most fitting time to make exported in value \$339,592,146, being larger adequate provision to insure the continuthan any previous year. It is a noteworthy ance of the gold standard and of public confidence in the ability and purpose of the government to meet all its obligations in sold abroad exceeded those bought abroad the money which the civilized world recognizes as the best. The financial transactions of the government are conducted upon a gold basis. We receive gold when we sell United States bonds and use gold for their payment. We are maintaining the parity of all the money issued or coined by authorgated \$610,982,004.35. Customs receipts ity of the government. We are doing these things with the means at hand. Happily at the present time we are not compelled to resort to loans to supply gold. It has been done in the past, however, and may have to be done in the future. It behooves us, therefore, to provide at once the best means to meet the emergency when it that the receipts for the current fiscal year arises, and the best means are those which are the most certain and economical. Those now authorized have the virtue neither of directness nor economy. We have already eliminated one of the causes of our financial plight and embarrassment during the years 1893, 1894, 1895 and 1896. Our receipts now equal our expenditures; deficient revenues no longer create alarm. Let us remove the

> peatedly declared policy of the United States. In this connection I repeat my former recommendations that a portion of the gold holdings shall be placed in a trust fund upon presentation, but when once redeemed shall not thereafter be paid out except for

only remaining cause by conferring the full

and necessary power on the Secretary of

to uphold the present gold standard and

preserve the coins of the two metals on a

parity with each other, which is the re-

A Merchant Marine.

The value of an American merchant marine to the extension of our commercial trade and the strengthening of our power upon the sea invites the immediate action of the Congress. Our national development ing-fund law, which for eight years has not | will be one-sided and unsatisfactory so long as the remarkable growth of our inland industries remains unaccompanied by progress on the seas. There is no lack of constitutional authority for legislation which shall give to the country maritime strength commensurate with its industrial achievements and with its rank among the nations of the earth.

The past year has recorded exceptional activity in our shipyards, and the promises of continual prosperity in shipbuilding are abundant. Advanced legislation for the protection of our seamen has been enacted. Our coast trade, under regulations wisely framed at the beginning of the government and since, shows results for the past fircal year unequaled in our records or those of any other power. We shall fail to realize our opportunities, however, if we complacently regard only matters at home and blind ourselves to the necessity of securing our share in the valuable carrying trade of the world.

Last year American vessels transported a smaller share of our exports and imports than during any former year in all our history, and the measure of our dependence upon foreigr shipping was painfully manifested to our people. Without any choice of our own, but from necessity, the Depart-In its earlier history the National Bank- ments of the Government charged with ing Act seemed to prove a reasonable ave- military and naval operations in the East